

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**THE JOINT APPLICATION OF AQUA)
AMERICA, INC., STEELRIVER)
INFRASTRUCTURE FUND NORTH)
AMERICA LP, STEELRIVER LDC)
INVESTMENTS, LP, LDC PARENT LLC,)
LDC FUNDING LLC, LDC HOLDINGS)
LLC, PNG COMPANIES LLC, PEOPLES)
GAS KY LLC, AND DELTA NATURAL GAS)
COMPANY, INC. FOR APPROVAL OF AN)
ACQUISITION OF OWNERSHIP AND)
CONTROL OF PNG COMPANIES LLC,)
PEOPLES GAS KY LLC AND DELTA)
NATURAL GAS COMPANY, INC.)**

CASE NO. 2018-00369

NOTICE OF FILING PROPOSED JOURNAL ENTRIES

Essential Utilities, Inc. f/k/a Aqua America, Inc., pursuant to Ordering Paragraph 3 of the March 13, 2019 Order herein, hereby gives notice of the filing of the estimated journal entries it proposes to record the acquisition, a copy of which is attached hereto.

The form and amounts of the estimated acquisition journal entries are based on the latest available information and the amounts are subject to revision. The estimate acquisition journal entries are expected to be revised and trued-up as more information becomes available within one year of the acquisition date.

Dated: April 1, 2020

Respectfully submitted,

Monica H. Braun

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Inc. and Essential Utilities, Inc.

CERTIFICATE OF COMPLIANCE

This is to certify that this April 1, 2020, electronic filing is a true and accurate copy of the same documents being filed in paper medium; that the electronic filing has been transmitted to the Commission on April 1, 2020; that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means; and that the original copy of this filing in paper medium will be filed in accordance with the emergency procedures established by the Commission.

Monica H. Braun

Counsel for Delta Natural Gas Company, Inc.
and Essential Utilities, Inc.

Essential Utilities, Inc.

Estimated Acquisition Journal Entries

**Amounts are estimated based on available information and subject
to revision and true-up within one year of acquisition date**

Dollar amounts are rounded in millions

PNG Companies LLC

	<u>DR</u>	<u>CR</u>
Goodwill	\$ 2,371	
Investment in subsidiaries		\$ 18
Member's Equity		\$ 2,353
To record effect of acquisition		
Member's Equity (former ownership)	\$ 1,112	
Member's Equity		\$ 1,112
To transfer prior Member's Equity to new Member's Equity		

Essential Utilities, Inc.

(formerly Aqua America, Inc.)

	<u>DR</u>	<u>CR</u>
Investment in subsidiary	\$ 3,465	
Cash and/or Debt		\$ 3,465
To record Essential Utilities, Inc. acquired investment in PNG Companies LLC and its subsidiaries		

Delta Natural Gas Company, Inc.

	<u>DR</u>	<u>CR</u>
There are no known acquisition journal entries recorded on Delta's books		